

SBT TEST #7**TAXPAYER'S FEIN:** 38-7000000**FORMS REQUIRED:** C-8000 C-8000KC 3307 – Loss Adj. Worksheet
C-8000C C-8000C**MICHIGAN
SINGLE BUSINESS TAX
INFORMATION:** Alternative Signature:
Customer Service Number (CSN) 8Y7FD5L3
Prior Gross Receipts \$800,000
FEIN 38-7000000

Business organization type is S-Corporation.

Business is using a loss adjustment in order to qualify for an otherwise disallowed small business credit or alternate tax.

Business has two shareholders.

Box is checked stating that Treasury may discuss the return with the preparer.

FEDERAL DATA: **U.S. 1120S**

Line 1a	Gross rcpt. or sales of \$638,755.
Line 1c	Gross receipts or sales less returns and allowances of \$638,755.
Line 3	Gross profit of \$638,755.
Line 6	Total income (loss) of \$638,755.
Line 7	Compensation of officers of \$111,000.
Line 8	Salaries and wages of \$12,479.
Line 9	Repairs and maintenance of \$340,411.
Line 12	Taxes and licenses of \$2,984.
Line 13	Interest of \$825.
Line 14a	Depreciation of \$25,396.
Line 14c	Depreciation less amount reported elsewhere of \$25,396.
Line 17	Pension, profit-sharing, etc., plans of \$24,239.

SBT TEST #7

Line 18 Employee benefit programs of \$17,970.

Line 20 Total deductions of \$535,304.

Line 21 Ordinary income (loss) of \$103,451.

U.S. 1120S, Schedule K

Line 1 Ordinary income (loss) of \$103,451.

Line 4a Interest income of \$361.

2002 MICHIGAN Single Business Tax Annual Return

Issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

IDENTIFICATION	
1 This return is for calendar year 2002 or for the following tax year <div style="display: flex; justify-content: space-between;"> <div>Beginning Date month year <div style="border: 1px solid black; padding: 2px; display: inline-block;">2002</div></div> <div>Ending Date month year <div style="border: 1px solid black; padding: 2px; display: inline-block;"></div></div> </div>	5 Federal Employer ID No. (FEIN) or TR No. <div style="border: 1px solid black; width: 100px; height: 20px; float: right;"></div> 6a Check this box if address is new <input type="checkbox"/> b Check this box if discontinued <input type="checkbox"/> Effective date of discontinuance _____
2 Name (Type or Print)	7 Business Start Date
d/b/a	8 Principal Business Activity
Street Address	9 Organization Type (check one) a. <input type="checkbox"/> Individual b. <input type="checkbox"/> Fiduciary c. <input type="checkbox"/> Professional Corporation d. <input type="checkbox"/> S-Corporation e. <input type="checkbox"/> Other Corporation f. <input type="checkbox"/> Partnership/LLC-Partnership g. <input type="checkbox"/> Limited Liability Company-Corporation
City, State, ZIP	
3 Check this box if you are filing a Michigan consolidated return. <input type="checkbox"/> Enter authorization number _____	
4 Check this box if you are a member of a controlled group (see instruction book). <input type="checkbox"/>	

☐ Check this box if you DO NOT need a book mailed to you.

10 Gross receipts 11 Business income. Filers using the Short-Method, go to C-8000S, line 9	1000 1100
---	--

COMPENSATION

12 Salaries, wages and other payments to employees 13 Employee insurance plans - health, life 14 Pension, retirement, profit sharing plans 15 Other payments - supplemental unemployment benefit trust, etc 16 Total Compensation. Add lines 12 - 15	1200 1300 1400 1500 1600
--	---

ADDITIONS - to the extent deducted in arriving at business income.

17 Depreciation and other write-off of tangible assets 18 Taxes imposed on or measured by income, e.g., city, state, foreign 19 Single business tax 20 Dividends, interest and royalty expenses 21 Capital loss carryover or carryback 22 Net operating loss carryover or carryback 23 Gross interest and dividend income from bonds and similar obligations issued by states other than Michigan and its political subdivisions 24 Any deduction or exclusion due to classification as FSC or similar classification and expenses of financial organizations, see inst. 25 Losses from partnerships. Account no. 26 Total Additions. Add lines 17 - 25 27 Subtotal. Add lines 11, 16 and 26	1700 1800 1900 2000 2100 2200 2300 2400 2500 2600 2700
---	---

SUBTRACTIONS

28 Dividends, interest and royalty income included in business income 29 Capital losses not deducted in arriving at business income 30 Income from partnerships included in business income, Account no. 31 Total Subtractions. Add lines 28 - 30	2800 2900 3000 3100
--	--

TAX BASE

32 Tax Base. Subtract line 31 from line 27 33 Apportioned Tax Base. Multiply line 32 by _____ % from C-8000H, line 16 or 19	3200 3300
--	--

Go to page 2

PAYMENT	
62 What amount did you enter on page 2, line 58?	PAY THIS AMOUNT 6200

Attachments: Attach copies of the federal forms listed in the instructions to your return. Also attach all required SBT schedules.

Payment: Payable to "State of Michigan." Write your FEIN on the check.

Mail to: Michigan Dept. of Treasury
 P.O. Box 30059
 Lansing, MI 48909

www.michigan.gov/treasury

Continue and sign on page 2.

Attach your check here

TAX BASE

34 What amount did you enter on line 32 or 33, whichever applies? 34 _____ .00

ADJUSTMENTS

35 Recapture of capital acquisition deduction from C-8000D, line 19. ▶ 35 _____ .00

36 ADJUSTED TAX BASE BEFORE loss deduction and statutory exemption.

Add line 34 and line 35. If line 35 is negative, subtract. ▶ 36 _____ .00

If negative, this is a business loss carryforward; **do not complete lines 37 through 42. Enter zero on line 43.**

37 Business loss deduction 37 _____ .00

38 **Adjusted Tax Base Before Statutory Exemption.** Subtract line 37 from line 36 38 _____ .00

STATUTORY EXEMPTION - Complete and attach the Statutory Exemption Schedule (Form C-8043).

39 Allowable statutory exemption, from C-8043, line 16. 39 _____ .00

40 **Adjusted Tax Base.** Subtract line 39 from line 38. Check if C-8000G is attached ▶ a ☐ 40 _____ .00

REDUCTIONS, NONREFUNDABLE CREDITS, AND TAX

41 Reduction to adjusted tax base, if applicable. See instructions for Form C-8000S. 41 _____ .00

Check the method being used: ▶ ☐ **Compensation Reduction OR** ▶ ☐ **Gross Receipts Reduction.**

42 Taxable base. Subtract line 41 from line 40. If you used the gross receipts short-method, enter the amount from C-8000S, line 14. 42 _____ .00

43 **Tax Before All Credits.** Multiply line 42 by 1.9% (.019). Fiscal or short period filers see page 3. ▶ 43 _____ .00

If you are not taking the Investment Tax Credit on C-8000ITC, enter the amount from line 43 on line 44.

44 **Tax After Investment Tax Credit.** Enter the amount from C-8000ITC, line 37 ▶ 44 _____ .00

The small business and contribution credits are computed on C-8000C and/or C-8009. Complete the C-8000C and/or C-8009 before continuing. If you are not filing a C-8000C or C-8009, enter the amount from line 44 on line 45.

45 Enter the amount from C-8000, line 44, C-8000C, lines 19, 26 or 36 or C-8009, line 33 or 34 45 _____ .00

46 Unincorporated/S-corp. credit. Multiply line 45 by percent from page 15 46 _____ .00

47 Nonrefundable credits from C-8000MC, line 71 47 _____ .00

48 Add lines 46 and 47 48 _____ .00

49 **Tax After Nonrefundable Credits.** Subtract line 48 from line 45 ▶ 49 _____ .00

PAYMENTS, REFUNDABLE CREDITS AND TAX DUE

50 Overpayment credited from 2001 50 _____ .00

51 Estimated tax payments 51 _____ .00

52 Tax paid with request for extension 52 _____ .00

53 Refundable credits from C-8000MC, line 10 53 _____ .00

54 Total. Add lines 50 - 53 ▶ 54 _____ .00

55 **TAX DUE.** Subtract line 54 from line 49. If less than zero, leave blank ▶ 55 _____ .00

56 Underpaid estimate penalty and interest from C-8020, line 28 or 38, whichever applies 56 _____ .00

57 Annual return penalty at ____% = _____ .00 and interest = _____ .00 57 _____ .00

58 **Payment Due.** Add lines 55 - 57. Enter this amount on page 1, line 62 58 _____ .00

OVERPAYMENT - REFUND OR CREDIT FORWARD

59 Overpayment. Subtract line 49, and any penalty and interest due on lines 56 and 57, from line 54 59 _____ .00

60 How much of the amount on line 59 do you want **refunded** to you? ▶ 60 _____ .00

61 How much of the amount on line 59 do you want **credited forward**? ▶ 61 _____ .00

SIGNATURE, DECLARATION AND AUTHORIZATION**TAXPAYER'S DECLARATION**

I declare under penalty of perjury that this return is true and correct to the best of my knowledge.

I authorize Treasury to discuss my return with my preparer. ☐ Yes ☐ No

PREPARER'S DECLARATION

I declare under penalty of perjury that this return is based on all information of which I have any knowledge.

Preparer's Signature

Taxpayer's Signature

Print or Type Preparer's Name

Date

Print or Type Taxpayer's Name

Date

Business Address, Phone and Identification Number

Title

This return is due April 30, or on or before the last day of the 4th month after the close of your tax year.

**2002 MICHIGAN
SBT Credit for Small Businesses and
Contribution Credits**

This form is issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

Form Code 2

1 Name	2 Federal Employer ID No. (FEIN) or TR No.
--------	--

YOUR TAX and CREDIT FOR SMALL BUSINESSESThe standard small business credit and the alternate tax are **NOT** available if any of the following conditions exist:

- | | |
|--|---|
| 1) Gross receipts exceed \$10,000,000; or
2) Adjusted business income after loss adjustment exceeds:
a. \$475,000 for corporations, partnerships and L.L.C.'s
b. \$115,000 for an individual or fiduciary; or | 3) Any shareholder or officer has compensation or allocated income after loss adjustment of over \$115,000, or any partner has distributive share of income after loss adjustment of over \$115,000, as determined on C-8000KC or C-8000KP. Form C-8000KC or C-8000KP must be attached. |
|--|---|

Note: Members of controlled groups must attach a copy of *SBT Allocation of Statutory Exemption, Standard Small Business Credit, and Alternate Tax for Members of Controlled Groups* (Form C-8009).

If you are not claiming a small business credit but have contribution credits, go to line 28.**PART 1 ADJUSTED BUSINESS INCOME**

3 Business income from C-8000, line 11	3	.00	
4 Capital loss carryover or carryback from C-8000, line 21	▶ 4	.00	
5 Net operating loss carryover or carryback from C-8000, line 22	▶ 5	.00	
6 Subtotal. Add lines 3, 4 and 5	6	.00	
7 Compensation and director fees of active shareholders from C-8000KC, line 6	▶ 7	.00	
8 Compensation and director fees of officers from C-8000KC, line 7	▶ 8	.00	
9 Adjusted business income. Add lines 6, 7 and 8. If less than zero, enter 100% on line 13	9	.00	

PART 2 SMALL BUSINESS CREDIT

10 Tax base from C-8000, line 32	10	.00	
11 Tax base for credit. Multiply line 10 by 45% (.45)	11	.00	
12 Income percentage. Divide line 9 by line 11 and multiply by 100 to find percentage	12	%	
13 Credit percentage. Subtract line 12 from 100%. If this is a negative number, i.e., if line 9 exceeds line 11, you are not eligible for this credit. Go to line 16 to calculate alternate tax.	13	%	
(not to exceed 100%)			
14 Tax from C-8000, line 44	TAX 14	\$.00	
15 Standard Small Business Credit. Multiply line 13 by line 14	15	.00	
16 Alternate tax. Multiply line 9 by 2% (.02)	16	.00	
17 Alternate Credit. Subtract line 16 from line 14	17	.00	
18a Small business credit. Enter the greater of line 15 or 17	18a	.00	
b Reduced small business credit. Use the Reduced Credit Table on page 22 to find your reduced credit %.			
Multiply line 18a by _____ %	18b	.00	
19 Tax after small business credit. Subtract line 18a or 18b, whichever is applicable, from line 14	▶ 19	.00	

If your gross receipts are equal to or less than \$9 million and you are not claiming contribution credits, enter the amount on line 19 on your C-8000, line 45. Otherwise, go to page 2.

Continue on page 2.

TEST 7

C-8000C, Page 2

Federal Employer Identification Number _____

PART 3 GROSS RECEIPTS REDUCTION.**Complete this section if your gross receipts are more than \$9,000,000 but not more than \$10,000,000.**

20	Gross receipts from C-8000, line 10. See instructions if your tax year is less than 12 months	20	_____	.00
21	Excess gross receipts. Subtract \$9,000,000 from line 20	21	_____	.00
22	Excess percentage. Divide line 21 by \$1,000,000	22	_____	%
23	Allowable percentage. Subtract line 22 from 100%	23	_____	%
24	Tax from line 14 or C-8000, line 44	24	_____	.00
25	Multiply the percentage on line 23 by the credit on line 18a or line 18b, whichever is applicable.	25	_____	.00
26	Tax after small business credit. Subtract line 25 from line 24	▶ 26	_____	.00

If you are not claiming contribution credits, enter the amount on line 26 on your C-8000, line 45.**PART 4 CONTRIBUTION CREDITS****Complete this section ONLY if you are claiming contribution credits. See the instructions for these credits on page 24.**

27	Enter the amount from line 19 or 26, whichever applies. Affiliated or controlled groups or entities under common control, enter the amount from C-8009, line 33 or 34	27	_____	.00
28	If you did not claim a small business credit , enter the amount from C-8000, line 44	28	_____	.00
29	Community Foundations donations	▶ 29a	_____	.00
b	Credit. Enter the smaller of 50% of line 29a, \$5,000, or 5% of your tax on C-8000, line 43	29b	_____	.00
c	Find the code on page 73 for the community foundation you contributed to and enter here	▶ 29c	_____	
30	Subtract line 29b from line 27 or 28	30	_____	.00
31	Homeless Shelter/Food Bank Credit donations	▶ 31a	_____	.00
b	Credit. Enter the smaller of 50% of line 31a, \$5,000 or 5% of your tax on C-8000, line 43	31b	_____	.00
32	Subtract line 31b from line 30	32	_____	.00
33	Public Contributions	▶ 33a	_____	.00
b	Credit. Enter the smaller of 50% of line 33a, \$5,000, or 5% of line 32	33b	_____	.00
34	Public Utility Property Tax for taxable year	▶ 34a	_____	
b	Credit. Enter 5% of line 34a. This amount cannot exceed the tax liability	34b	_____	.00
35	Add lines 33b and 34b	35	_____	.00
36	Tax After Credits. Subtract line 35 from line 32. Enter here and on your C-8000, line 45	36	_____	.00

REDUCED CREDIT TABLE

If allocated income* is:	The reduced credit is:
\$0 - \$ 95,000	100% of the small business credit
\$95,001 - \$ 99,999	80% of the small business credit
\$100,000 - \$104,999	60% of the small business credit
\$105,000 - \$109,999	40% of the small business credit
\$110,000 - \$115,000	20% of the small business credit

*See page 6 for tax years less than 12 months.

TEST 7

Michigan Department of Treasury Test Worksheet
3307 (04-02)

SBT LOSS ADJUSTMENT WORKSHEET for the Small Business Credit

Issued under P.A. 257 of 1990.

Use this worksheet to qualify for an otherwise disallowed small business credit or alternate tax by adjusting your current year adjusted business income. This is available only if you had a negative adjusted business income in any of the five tax years immediately preceding this tax year and you received a small business credit in the loss year. Partnerships and members of controlled groups - see instructions.

PART 1: Current Year Amounts

Use this section to determine the amount of loss adjustment to the business income you need to qualify for the small business credit.

Business Income Disqualifier is \$475,000 (\$115,000 for individuals)

- 1 Adjusted Business Income from C-8000C, line 9 1 \$00
- 2 Less the disqualifier 2 \$00
- 3 Loss adjustment. Subtract line 2 from line 1 3 \$00

Shareholder Compensation Disqualifier is \$115,000

- 4 Enter the amount from C-8000C, line 6 4 \$00
- 5 Disqualifier 5 \$00
- 6 Enter compensation & director fees from
C-8000KC, col. K of the shareholder creating
the disqualifier or reduction 6 \$00
- 7 Subtract line 6 from line 5 7 \$00
- 8 Divide line 7 by the percent of ownership (_____ %)
from C-8000KC, col. G for the shareholder on line 6 8 \$00
- 9 Loss adjustment. Subtract line 8 from line 4 9 \$00

PART 2: Available Loss

Use this section to determine the loss available from the five preceding years.

	1997	1998	1999	2000	2001
10 Did you receive a small business credit? Complete only those columns in which you enter "Y."					
11 Enter adjusted business income as reported on C-8000C, line 9 for each tax year that reported a loss.					
12 Amount of loss entered on line 11 used as an adjustment in a prior year.					
13 Loss available for current return. Subtract line 12 from line 11.					
14 Enter the amount from line 3 or 9, whichever is larger.					
15 Loss available for future returns. Subtract line 14 from line 13.					

Attach this worksheet to your return.

2002 MICHIGAN**SBT Schedule of Shareholders and Officers****For all corporations claiming statutory exemption or small business credit.**

This form is issued under authority of P.A. 228 of 1975. See instruction booklet for filing guidelines.

1 Name	2 Federal Employer ID No. (FEIN) or TR No.
--------	--

PART 1 SHAREHOLDERS AND OFFICERS - See instruction booklet

3A Shareholder (including corporation and trust) or officer name (Last, First, Initial)	B Social Security Number	C If an officer, check here.	D % Time	E % Stock	F % Stock with attribution	G % Stock from col. F less any attribution between 2 active shareholders
a						a
b						b
c						c
d						d
e						e
f						f
g						g
h						h

☞ % of stock (not listed above) owned by shareholders who own less than 20% and receive no compensation.

%

Continue below using same a through h references.**Total**

100%

H Dividends -used to determine active shareholders	I Salaries, wages and/or director fees	J Employee insurance plans, pensions, etc.	K Total compensation and director fees for officers and/or shareholders -add columns I & J	L Share of business income/loss -Form C-8000C, line 6 x column G.	M Total shareholder/officer income -add columns K & L.
a					a
b					b
c					c
d					d
e					e
f					f
g					g
h					h

If you need more space attach additional C-8000KC forms. Identify each additional form and complete Part 1.**PART 2 STATUTORY EXEMPTION - See definition of qualified shareholder in the instruction booklet.**

4 Qualified shareholders. Add the number of qualified shareholders from Part 1. Enter here and on C-8043, line 8a	4
5 Compensation and director fees of ALL shareholders. Add amounts in column K for each shareholder showing ownership in column E. Enter here and on C-8043, line 5	500

PART 3 SMALL BUSINESS CREDIT - See definition of active shareholder in the instruction booklet.

6 Compensation and director fees of active shareholders. Add amounts in column K for each active shareholder. Enter here and on C-8000C, line 7 or C-8044, line 12	600
7 Compensation and director fees of officers. Add amounts in column K for each officer who is not an active shareholder. Enter here and on C-8000C, line 8 or C-8044, line 12	700